

**UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS**

**CIVIL ACTION**

**DOCKET NO:**

**04-CV-11467 MAP**

**DOUGLAS DYNAMICS, LLC, d/b/a/ WESTERN  
PRODUCTS,**

**Plaintiff,**

**v.**

**B & P SUPPLY, INC.,**

**Defendant**

**AFFIDAVIT OF  
PETER A. DUS**

I, Peter A. Dus, on oath depose and say that I am the president and treasurer of the Defendant B & P Supply, Inc. ("B & P"). B & P has a principal place of business located in Pittsfield, Massachusetts. For the past thirty (30) years B & P was involved with the sale and repair of snow and ice removal equipment in the Western Massachusetts Connecticut, and Eastern New York region. For approximately the last twenty-five (25) years, B & P had a business relationship with Douglas Dynamics, LLC d/b/a Western Products ("Western"). B & P has always been referred to by Western as one of its distributors. See Exhibits "A" and "B" attached. Western supplied B & P with snow and ice removal equipment and accessories, such as snow plows and snow plow assemblies, in a periodic but consistent manner for almost twenty-five (25) years. B & P came to rely on Western's supply and delivery of snow and ice removal equipment and accessories on a timely basis. Western was B & P's sole provider of genuine Western snow and ice removal parts and components. Western, during 2003 and 2004, was the sole manufacturer of genuine Western snow and ice removal products in the New England – Eastern New York region, the same area B & P did business. Western, during that time, sought to take sole control and dominate the snow and ice removal product industry in New England and Eastern New York State. During this same period, B & P had no other supplier of genuine Western parts and components. Western knew of B & P's dependency and need for genuine Western parts and components. For over 25 years, B & P paid Western its invoices in a timely and complete manner. In fact, B & P never missed a discount date that Western provided for timely payments of its invoices. Up until 2003, B & P was both healthy and profitable, and dependant on Western for supply of its snow and ice removal equipment and components. I believe that, at some point, Western made the conscious decision to favor and supply a regional competitor, and stop supplying me with its product. I believe this, along with other acts, had the effect of stifling competition in the snow and ice removal equipment industry. This refusal by Western took place in the fall of 2003. During that time, I had given Western significant orders for the up-coming 2003-2004 winter season. There was a window of time in the snow removal sales which, if not taken advantage of, would evaporate in short order. If snow and ice removal equipment and components are not available during that window of

time, then the season is lost, which happened to B & P because of Western's refusal to deal with it. In fact, I placed the largest pre-season order that I had ever had with Western in May of 2003. Notwithstanding this, Western, suddenly and without any warning or notice, failed to deliver its inventory to me in the fall of 2003. I discovered later that other distributors had been receiving shipments of inventory from Western when it should have been shipping to B & P. At the same time, I learned from a letter from Western that its parent company was selling Western to raise cash. A copy of the letter is attached and marked "A". I later learned that Western had actually been sold to Aurora Capital Group, a national lending company. A copy of that letter is attached and marked "B". Eventually, I found out that Western offered a distributorship/right to sell to a competitor in Pittsfield which was in my former territory, which had a direct and severe financial impact upon my business. As a result of Western's refusal to deal with me, B & P lost a significant market share, goodwill and customer loyalty. Many B & P customers thought that I had neglected to order their plow parts or that there was something else wrong with my business. In light of this, I asked Western for some reasonable concession for what they claimed B & P owed; however, they refused to do so, except for an extremely modest amount that did not come close to compensating me for the loss of my snowplow business. Western did not supply me with the "Terms of Sales" document attached to Western's affidavit until January of 2004, after it had stopped its deliveries to me.

Signed under the pains and penalties of perjury this <sup>th</sup> 4 day of August, 2005.

  
Peter A. Dus



DOUGLAS DYNAMICS, L.L.C.



MAIL: P.O. Box 245038, Milwaukee WI 53224-9538  
SHIP: 7777 N. 73rd Street, Milwaukee WI 53223  
PHONE: 414-354-2310 FAX: 414-354-8448

October 30, 2003

TO: ALL WESTERN® DISTRIBUTORS  
FROM: Jim Janik, President

AK Steel, our parent company, has recently announced that it is actively investigating the sale of Douglas Dynamics, L.L.C. The sale of Fisher Engineering and Western Products would allow AK to pay down its outstanding debt and focus its efforts solely on the core steel making business. The decision to sell Douglas Dynamics is based entirely on the challenges AK faces in the competitive steel industry.

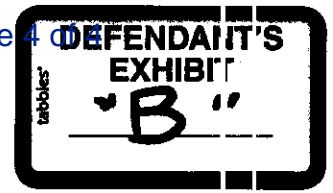
This decision will have no impact on our day-to-day business. Douglas Dynamics is a prosperous, healthy organization - the largest manufacturer of truck mounted snow and ice control equipment in the world. We're focused on building and shipping plows and spreaders you can be proud to sell.

We appreciate your business and will keep you informed as events materialize.

Sincerely,



DOUGLAS DYNAMICS, L.L.C.



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April 1, 2004

TO: All Western Products Distributors

FROM: Jim Janik, President – Douglas Dynamics, LLC

SUBJECT: **Douglas Dynamics Sale**

I am pleased to announce the sale of Douglas Dynamics, LLC by AK Steel to the Aurora Capital Group. Aurora is a private investment firm based in Los Angeles, focused on investing capital in companies in partnership with operating management. This new ownership relationship is a very positive development and bodes well for the future of our Company.

For all of us at Western Products this means business as usual... being the best producer of snow and ice control equipment in the country. Be assured that our focus will continue to be on the needs of our customers.

Let me also say that we truly appreciate your past business and, with your continued support, look forward to strengthening our position as the leader in the industry.